

## DEPARTMENT OF FINANCE BILL ANALYSIS

**AMENDMENT DATE:** April 9, 2007  
**POSITION:** Neutral  
**SPONSOR:** Department of General Services

**BILL NUMBER:** SB 567  
**AUTHOR:** S. Aanestad

### **BILL SUMMARY**

This bill would authorize the Director of the Department of General Services (DGS) to sell, exchange, or lease for fair market value six specified parcels of State surplus property.

### **FISCAL SUMMARY**

To the extent the properties are identified as surplus and subsequently sold, the state would receive additional revenues. DGS staff currently estimate the value of the specified parcels to be between \$1,250,000 and \$1,500,000. It is likely the identified property would be subject to Proposition 60A, and proceeds would be deposited into the Deficit Recovery Bond Retirement Sinking Fund.

### **COMMENTS**

Existing law does the following:

- Authorizes the DGS to dispose of State surplus property, subject to specified conditions and upon legislative approval.
- Requires that the proceeds from the sale of surplus state property be used to pay the principal and interest on the Economic Recovery Bond Act of 2004.

This bill would:

- Authorize the sale, exchange, or lease of six specified parcels.
- Specify that parcels may be sold, exchanged, or leased for fair market value subject to the terms and conditions as the Director of DGS determines are in the best interests of the state.
- Ensure that the DGS is reimbursed for any cost or expense incurred in the disposition of any of the identified parcels.
- Clarify that, unless precluded by law, the net proceeds received from the sale of any parcel would be paid into the Deficit Recovery Bond Retirement Sinking Fund Subaccount.
- Clarify that the state's preservation of mineral rights only pertain to property sold by the DGS.

The parcels identified to be sold as surplus property include (all acreage is approximate):

- Parcel 1 – 0.92 acre consisting of a single family lot, located at 806 North Beaudry Avenue, Los Angeles, Los Angeles County.

(Continued)

### **COMMENTS** (continued)

Analyst/Principal (0671) T. Bierer	Date	Program Budget Manager Karen Finn	Date
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Department Deputy Director	Date
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Governor's Office:	By:	Date:	Position Approved _____
			Position Disapproved _____

<b>BILL ANALYSIS</b>	Form DF-43 (Rev 03/95 Buff)
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**BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)****Form DF-43****AUTHOR****AMENDMENT DATE****BILL NUMBER**

S. Aanestad

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SB 567

- Parcel 2 – 4.73 acres with improvements, known as the Sonora Forest Fire Station, located at 2 South Forest Road, Sonora, Tuolumne County.
- Parcel 3 – 5.52 acres with improvements, known as the Fernwood Seed Orchard, located in Humboldt County.
- Parcel 4 – 2 acres with improvements, known as the Manton Forest Fire Station, located on Ponderosa Way, Manton, Tehama County.
- Parcel 5 – 0.92 acre with improvements, known as the Hesperia Forest Fire Station, located at 16661 Yucca Street, Hesperia, San Bernardino County.
- Parcel 6 – 2 acres with improvements, known as the Valley Center Forest Fire Station, located at 28741 Cole Grade Road, Valley Center, San Diego County.

Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							
	LA	(Dollars in Thousands)							
	CO	PROP							Fund
	RV	98	FC	2006-2007	FC	2007-2008	FC	2008-2009	Code
1606/Sale Pub Lnd	RV	No		--	U	\$1,250 - 1,500		--	3090

<u>Fund Code</u>	<u>Title</u>
3090	Deficit Recovery Bond Retirement Sinking